

## General Assembly

Raised Bill No. 1145

January Session, 2013

LCO No. 4777



Referred to Committee on JUDICIARY

Introduced by: (JUD)

## AN ACT CONCERNING REVISIONS TO THE COMMON INTEREST OWNERSHIP ACT AND THE CONDOMINIUM ACT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 20-458 of the general statutes is amended by adding subsection (c) as follows (*Effective October 1, 2013*):
- 3 (NEW) (c) An association's board of directors, as defined in section
- 4 47-68a, or executive board, as defined in section 47-202, shall ensure
- 5 that any community association manager under contract to provide
- 6 association management services to an association provides such
- 7 services in full compliance with the association's bylaws, as well as the
- 8 provisions of chapters 825 and 828, as applicable.
- 9 Sec. 2. Subdivision (5) of subsection (b) of section 47-250 of the
- 10 general statutes is repealed and the following is substituted in lieu
- 11 thereof (Effective October 1, 2013):
- 12 (5) Unless [the meeting is included in a schedule given to the unit
- owners or the] a meeting is called to deal with an emergency, the

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- secretary or other officer specified in the bylaws shall give notice of
- 15 each executive board meeting to each board member and to the unit
- owners. The notice shall be given at least five days before the meeting
- and shall state the time, date, place and agenda of the meeting, except
- 18 that notice of a meeting called to adopt, amend or repeal a rule shall be
- 19 given in accordance with subsection (a) of section 47-261b.
- Sec. 3. Subsection (c) of section 47-252 of the general statutes is
- 21 repealed and the following is substituted in lieu thereof (Effective
- 22 *October* 1, 2013):
- 23 (c) Except as otherwise provided in the declaration or bylaws, the
- 24 following requirements apply with respect to proxy voting:
- 25 (1) Votes allocated to a unit may be cast pursuant to a directed or
- 26 undirected proxy duly executed by a unit owner;
- 27 (2) The association shall provide a proxy form to any unit owner
- 28 who seeks to vote pursuant to a directed or undirected proxy;
- 29 (3) If a vote is taken by ballot, any ballot cast by a directed or
- 30 undirected proxy holder shall not include the name of the proxy
- 31 holder;
- 32 [(2)] (4) If a unit is owned by more than one person, each owner of
- 33 the unit may vote or register protest to the casting of votes by the other
- owners of the unit through a duly executed proxy;
- 35 [(3)] (5) A unit owner may revoke a proxy given pursuant to this
- 36 section only by actual notice of revocation to the person presiding over
- a meeting of the association;
- [(4)] (6) A proxy is void if it is not dated or purports to be revocable
- 39 without notice;
- 40 [(5)] (7) A proxy terminates one year after its date, unless it specifies
- 41 a shorter term; and

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- 42 [(6)] (8) A person may not cast votes representing more than fifteen 43 per cent of the votes in the association pursuant to undirected proxies.
- Sec. 4. Subdivision (1) of subsection (a) of section 47-260 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

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- (1) Detailed records of receipts and expenditures affecting the operation and administration of the association and other appropriate accounting records, including, but not limited to, records relating to reserve accounts;
- Sec. 5. Subsection (d) of section 47-255 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):
  - (d) Insurance policies carried pursuant to subsections (a) and (b) of this section shall provide that: (1) Each unit owner is an insured person under the policy with respect to liability arising out of his interest in the common elements or membership in the association; (2) the insurer waives its right to subrogation under the policy against any unit owner or member of his household; and (3) no act or omission by any unit owner, unless acting within the scope of his authority on behalf of the association, will void the policy or be a condition to recovery under the policy. [; and (4) if, at the time of a loss under the policy, there is other insurance in the name of a unit owner covering the same risk covered by the policy, the association's policy provides primary insurance.]
- Sec. 6. Section 47-253 of the general statutes is amended by adding subsection (e) as follows (*Effective October 1, 2013*):
- 67 (NEW) (e) No member of the executive board or officer of the 68 association shall be criminally liable for any conduct performed on 69 behalf of the association, provided the conduct is within the scope of 70 such member's or officer's authority.

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Sec. 7. (NEW) (*Effective October 1, 2013*) No member of a board of directors, as defined in section 47-68a of the general statutes, or officer, as defined in section 47-68a of the general statutes, shall be criminally liable for any conduct performed by the member on behalf of the association of unit owners, as defined in section 47-68a of the general statutes, provided the conduct is within the scope of such member's or officer's authority.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2013	20-458
Sec. 2	October 1, 2013	47-250(b)(5)
Sec. 3	October 1, 2013	47-252(c)
Sec. 4	October 1, 2013	47-260(a)(1)
Sec. 5	October 1, 2013	47-255(d)
Sec. 6	October 1, 2013	47-253
Sec. 7	October 1, 2013	New section

## Statement of Purpose:

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To: (1) Ensure that the services provided by a community association manager are in compliance with chapters 825 and 828 of the general statutes, (2) ensure that unit owners have adequate notice concerning the time, place, date and nature of board meetings, (3) ensure that the name of a proxy holder is not included on any vote by ballot, (4) provide unit owners with access to reserve account records, (5) eliminate the requirement that an insurance policy provide that the association's policy provides primary insurance, and (6) provide protections against criminal liability to an association's officers and executive board members.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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